

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TENNESSEE
AT CHATTANOOGA

PI, INC.,)
Plaintiff,)
v.)
M. MELANIE BEENE, JONES C. BEENE,) Case No. l:12-cv-350
IV AND F. ALLISON BEENE,)
Defendants and Third-Party)
Plaintiffs,) Magistrate Judge Susan K. Lee
v.)
JAMES JEFFERSON BEENE, II AND)
JONES C. BEENE,)
Third-Party Defendants.)

**RESPONSE OF PI, INC., JAMES JEFFERSON BEENE, II,
AND JONES BEENE TO DEFENDANTS' MOTION [102] TO FILE
DOCUMENTS UNDER SEAL**

Come now PI, Inc. James Jefferson Beene, II, and Jones Beene (hereafter “Responding Parties”), and Respond to Defendants’ Motion to file Documents under Seal [Doc. 102].

Responding Parties Agree to the Motion and Request that it be granted. For Cause
Responding Parties would Show:

1. General Response. PI is a privately owned, and not-publically traded corporation. PI is in a competitive industry. The details and secrets of its inner-workings and financial position are not made public. PI takes vigilant measures to keep its

business and financial capabilities and affairs private. PI's business and financial affairs are not available to the public.

2. Proposed Exhibit A to Defendants' Memorandum [Doc. 102] is a series of excerpts from the deposition of Todd Harris. Mr. Harris is PI's Chief Financial Officer. In the attached excerpts, Mr. Harris discusses audits and valuations of the company, company compensation policies and stock information. As set forth in the General Response above, PI's financial statements are private and not made public. In a highly competitive industry, exposing such information to potential competitors would give such competitors information about PI's financial policies and status and would be damaging to PI.

3. Proposed Exhibits B and C to Defendants' Memorandum [Doc. 102] are copies of the indemnities of Jones Beene and Jeffry Beene for defense in the instant case. Proposed Exhibits D and E are Minutes of a Special Meeting of the Board of Directors dealing with the appointment of a committee for evaluation of the above mentioned indemnities. Placing such documentation of the details of PI's on-going litigation puts at risk PI's business relationships and competitive agility in a difficult market. It would be damaging for PI's business for copies of these indemnities to be made public.

4. Proposed Collective Exhibit F to Defendants' Memorandum [Doc. 102] is a series of excerpts from PI, Inc.'s Answers to Defendants' First Set of Interrogatories and Excerpts from the Supplemental Answer of PI, Inc. Proposed Exhibit F is a selection of Excerpts from the Answers of James Jefferson "Jeffry" Beene to Defendants' First Set of Interrogatories. Proposed Exhibit H is Excerpts from Answers of Jones Beene to

Defendants' First Set of Interrogatories. These documents deal with issuance of PI stock, past and present membership of PI's Board of Directors , compensation packages pertaining to officers and PI consultants and PI's business activities. As referenced in the General Objections and Objection No. 1 above, PI's financial statements are private and PI works to keep financial and business information private due to the competitive nature of the manufacturing industry. In a highly competitive industry, exposing such information to potential competitors would give such competitors information about PI's financial policies and status and would be damaging to PI.

5. Proposed Exhibit I to Defendants' Memorandum [Doc. 102]is a series of excerpts from the Deposition of Jeffry Beene . Proposed Exhibit J is PI's Stock Register. Proposed Exhibit K contains excerpts from the deposition of Jones Beene These documents also deal with issuance of PI stock, past and present membership of PI's Board of Directors and compensation packages pertaining to PI executives. They also reference PI's payments to vendors and distribution of dividends, payments to officers and PI consultants and PI's business activities. As referenced in the General Objections and Objections above, PI is a private company who does not publish stock information. PI actively works to maintain privacy regarding these topics and all financial information due to the competitive nature of the manufacturing industry. Publication of this information would damage PI's business.

6. Proposed Exhibit L to Defendants' Memorandum [Doc. 102]is a letter from PI counsel Brian Quist dated February 10, 2012. The letter discusses the amount and distribution of stock from the estate of James Jefferson Beene Sr. As set forth in the

General Response above, PI's financial statements and stock information are private and safeguards are taken to maintain that privacy. In a highly competitive industry, exposing such information to potential competitors would give such competitors information about PI's financial policies and status and would be damaging to PI.

7. Proposed Exhibit M to Defendants' Memorandum [Doc. 102] contains excerpts from the deposition of Jennifer Johnson. Ms. Johnson is the sales and marketing director for PI. The excerpts discuss executive compensation including the awarding of bonuses as well as hiring and compensation of contractors. As set forth in the General Response above, PI's financial statements and stock information are private and safeguards are taken to maintain that privacy. In a highly competitive industry, exposing such information to potential competitors would give such competitors information about PI's financial policies and status and would be damaging to PI.

8. Proposed Exhibits N, O, P, and Q to Defendants' Memorandum [Doc. 102] are Check/ Direct Deposit Registers reflecting compensation payments to Jeffry Beene, Jones Beene, Todd Harris and Jennifer Johnson respectively. Proposed Exhibit R contains PI's Financial Statements for the years ended August 31, 2013 and 2012. These documents illustrate compensation packages for executives and officers and as well as all financial statements for the company in the years 2012 and 2013. As referenced in the General Objections and Objections above, PI is a private company who does not publish stock information. PI actively works to maintain privacy regarding these topics and all financial information due to the competitive nature of the manufacturing industry. Publication of this information would damage PI's business.

9. Proposed Exhibit S to Defendants' Memorandum [Doc. 102] is a list of payments made by PI to JR Contractors, LLC. This list enumerates payments made by PI to vendors and exposes private professional relationships. As set forth in the General Response above, PI's financial statements, stock information, and other business relationships and information are private and safeguards are taken to maintain that privacy. In a highly competitive industry, exposing such information to potential competitors would give such competitors information about PI's financial policies and status and would be damaging to PI.

9. Proposed Exhibit T to Defendants' Memorandum [Doc. 102] is a series of documents regarding property purchased by Jeffry and Jones Beene from PI, Inc. Proposed Exhibit U to Defendants' Memorandum [Doc. 102] is a lease agreement involving PI, Inc., Soncured Records and Evans Branch Farm. This information falls into the category of business information that PI seeks to protect. As set forth in the General Response above, PI's financial statements, stock information, and other business relationships and information are private and safeguards are taken to maintain that privacy. In a highly competitive industry, exposing such information to potential competitors would give such competitors information about PI's financial policies and status and would be damaging to PI.

WHEREFORE, for cause shown, Responding Parties request that the motion to file documents under seal [Doc. 102] be granted.

Submitted this 29th day of April, 2014.

/s/ Joanna R. O'Hagan

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CERTIFICATE OF SERVICE

I hereby certify that on this the 29th day of April 2014, a copy of the foregoing Document was filed electronically. Notice of this filing will be sent by operation of the Court's electronic filing system to all parties indicated on the electronic filing receipt. All other parties will be served by regular U.S. mail. Parties may access this filing through the Court's electronic filing system.

/s/ Joanna R. O'Hagan

Joanna R. O'Hagan (BPR #025616)